

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Chapter 11

BORDERS GROUP, INC., *et al.*,¹

Case No. 11-10614 (MG)

Debtors.

Jointly Administered

**ORDER GRANTING MOTION OF SAFECO INSURANCE COMPANY
OF AMERICA TO LIFT THE AUTOMATIC STAY TO CANCEL
SURETY BONDS THAT ARE FINANCIAL ACCOMMODATIONS**

Upon consideration of the Motion of Safeco Insurance Company of America to Lift the Automatic Stay to Cancel Surety Bonds that are Financial Accommodations (“Motion”); and upon consideration of any and all objections and/or responses that were filed in relation to the Motion;

IT IS HEREBY ORDERED:

1. The Motion is granted.
2. Within 5 days of the date of this Order, the Debtors shall notify counsel for Safeco at the address set forth in paragraph 4 of this Order of the stores that are closed and the surety bonds that are no longer needed that can be canceled.
3. Within 5 days of the subsequent closing or transfer of any store or stores, Debtors shall notify counsel for Safeco at the address set forth in paragraph 4 of this Order of the closing or transfer of the stores and identify those surety bonds that are no longer needed that can be canceled.
4. The notices required in paragraphs 2 and 3 of this Order are to be sent to:

¹ The Debtors in these cases are Borders Group, Inc.; Borders International Services, Inc.; Borders, Inc.; Borders Direct, LLC; Borders Properties, Inc.; Borders Online, Inc.; Borders Online, LLC; and BGP (UK) Limited.

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5. For those surety bonds for which Safeco is provided notice as set forth in paragraphs 2 and 3 of this Order, the automatic stay is lifted to permit Safeco Insurance Company of America to issue notices to its obligees and to cancel those surety bonds in accordance with their terms.

DATED: New York, NY
October 19, 2011

/s/Martin Glenn
MARTIN GLENN
United States Bankruptcy Judge